

January 11, 2011

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PUBLIC SERVICE
COMMISSION

Mr. Jeff Derouen, Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40602

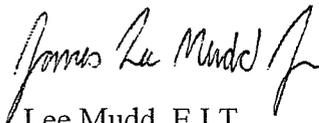
Re: Case No. 2009-00385

Dear Mr. Derouen:

Per the instructions included in the PSC Order issued to Marion County Water District on October 21, 2009, please be advised that the District is currently in the process of constructing additional transmission mains with surplus funds remaining from the approved construction. The additional construction has been approved by Rural Development and it will not result in a change in the District's rates of service. Construction of these additional system improvements began on October 25, 2010 and is expected to be completed before May of 2011.

Should you need additional information, please advise.

Sincerely,



Lee Mudd, E.I.T.
Project Engineer

/jlm

cc: Jimmy Mudd, Manager
Marion County Water District